

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

JERRY STACY, *et al.*,

Plaintiffs,

Case No. 07-13327

v.

Honorable John Corbett O'Meara

H&R BLOCK TAX SERVICES, INC.,

Defendant.

ORDER GRANTING DEFENDANT'S OCTOBER 10, 2007 MOTION FOR STAY

This matter came before the court on defendant H&R Block Tax Services' October 10, 2007 motion to stay proceedings. Plaintiffs filed a response November 27, 2007; and Defendant filed a reply brief December 11, 2007. Oral argument was heard January 31, 2008.

In July 2007, plaintiffs Angel Merrow and Jennifer Tomaszewski joined five other plaintiffs in bringing a single-count complaint against defendant H & R Block Tax Services, alleging that it had been negligent in failing to adequately protect Plaintiffs' personal information from interference or use by unauthorized third persons. The court finds that there is a valid agreement to arbitrate disputes between plaintiffs Merrow and Tomaszewski and defendant H & R Block. The only remaining issue is whether the court should issue a stay in the proceedings until those two plaintiffs have completed arbitration.

The Federal Arbitration Act ("FAA") manifests "a liberal federal policy favoring arbitration agreements." Moses H. Cone Mem. Hosp. v. Mercury Constr. Corp., 460 U.S.1, 24 (1983). The FAA specifically provides that courts involved with suits that are referable to arbitration shall stay the trial of the action until arbitration has been completed. 9 U.S.C. § 3. Such a temporary stay is

also appropriate in instances where common questions of fact will likely arise among both parties who have signed an arbitration agreement and the other parties who have not. The United States Supreme Court has advised, “In some cases, of course, it may be advisable to stay litigation among the non-arbitrating parties pending the outcome of arbitration. That decision is one left to the district court . . . as a matter of its discretion to control its docket.” Moses H. Cone, *supra*, at 20, n.23.

In this case, the court will stay the proceedings until completion of plaintiffs Merrow’s and Tomaszewski’s arbitration proceedings.

ORDER

It is hereby **ORDERED** that Defendant’s October 10, 2007 motion for stay is **GRANTED**.

s/John Corbett O'Meara
United States District Judge

Date: February 4, 2008

I hereby certify that a copy of the foregoing document was served upon the parties of record on this date, February 4, 2008, by electronic and/or ordinary mail.

s/William Barkholz
Case Manager